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5. [] - JGO) Received a call from Tim Furlong, Legislative Aide to Senator Lloyd Bentsen (D., Texas), who told me he is doing some research trying to trace the legal authority for legislative oversight for the Central Intelligence Agency. I discussed the National Security Act of 1947 and the Central Intelligence Agency Act of 1949 with him and suggested that he might want to talk to Ed Braswell, Chief Counsel, Senate Armed Services Committee. I told him also that if he had any further questions after talking to Braswell, I would be glad to assist him further.

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6. [] - JGO) After checking with General Lew Allen, D/DCI/IC, and [] IC Comptroller, I confirmed the meeting for 2:00 p.m. Thursday, 23 May 1973, with the Intelligence Subcommittee and Subcommittee No. 1 (Research and Development) of the House Armed Services Committee for a presentation of the intelligence community program budget as reflected in the Military Authorization bill. Frank Slatinshek, Chief Counsel for the Committee, suggested that it would be well to include such support personnel as may be needed to provide detailed answers concerning the various programs. General Allen has been advised.

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7. [] - JGO) In response to his earlier request, I gave George Berdes, House Foreign Affairs Committee staff, the overseas mailing address for []

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8. [] - JGO) Picked up from William Hogan, House Armed Services Committee staff, the transcript of the Intelligence Subcommittee hearing of 21 May 1973 for correction and security review for publication.

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9. [] - JGO) Talked to Jim Lowenstein, Senate Foreign Relations Committee staff, who told me that the staff report of his recent trip to the Far East has been put to bed and noted that Agency security review had been provided by [] EA Division. I thanked Lowenstein for the information. [] SAVA, has been advised.

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OPENING STATEMENT
OF
CHAIRMAN F. EDWARD HEBERT
ON
COMMITTEE'S CONSIDERATION OF DEFENSE DEPARTMENT
AUTHORIZATION FOR FISCAL YEAR 1974

April 10, 1973

Today we begin hearing Defense witnesses on the military procurement authorization bill for fiscal year 1974. All of the members of the committee have been supplied with the tentative schedule of witnesses through April 19 along with unclassified versions of statements to be presented this week. It is our intention to hear the Secretary, the Chairman of the Joint Chiefs of Staff, the Director of Defense Research and Engineering and all of the service secretaries and military chiefs in full committee sessions. I am hopeful that we can complete all of their testimony by the Easter recess. Following the Easter recess appropriate portions of the legislation will be reviewed separately by the Research and Development Subcommittee, the Military Personnel Subcommittee and the Seapower Subcommittee. The remainder of the full committee will continue the item-by-item review of the aircraft, missile and weapons procurement for each of the services.

We are all aware, of course, that today we will hear, for the first time, from a new team in charge of the Department of Defense. We have a new Secretary, a new Deputy Secretary and soon will have a new Director of Defense Research and Engineering. We are fortunate,

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as the new Secretary is fortunate, in having Admiral Moorer still with us as Chairman of the Joint Chiefs of Staff.

As you are all aware, we have already commenced our procurement review by hearing from the General Accounting Office and the Department of Defense on separate studies that we ordered last year on cost escalation in military procurement. In ordering those studies, the committee said that "insufficient data were available to clearly identify those elements which contribute most to cost escalation." I think the studies performed at the committee's request, particularly the work of the General Accounting Office, have been very helpful in identifying the factors that go into cost growth and in determining the percentage of cost growth attributable to such factors as inflation, estimating errors, and changes in requirements. It remains for us now to begin determining how we can improve our procurement procedures as a result of these findings, and I will expect the Secretary to be prepared to address himself to this matter. I hope the members of the committee will keep in mind what we learned in our earlier sessions and in their questioning give attention to ways that we can improve our procedures to make our contribution to better weapons-acquisition control.

I was particularly impressed by the recommendation of the Comptroller General that the Congress must involve itself at an earlier point in the decision-making process on weapons systems in order to exercise real control over major programs. And I would also ask that committee members give some thought to how this purpose might better be achieved.

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I am going to ask the Secretary to be prepared to provide the committee the Development Concept Paper on new major systems on which the committee is asked to pass. And I am going to ask that the Department be prepared to discuss such matters with the committee at the time the DCP is formulated. I have been in Congress 32 years; I have never seen either the Development Concept Paper or its equivalent. But I intend to see one before too much more time passes. Once a DCP is issued, a momentum gathers behind a program which is sometimes hard to change by the time the Congress becomes aware of it. It is necessary that the Congress, or rather the committee which is its appropriate agent, become aware at an earlier stage.

I am also going to ask the Secretary to tell the committee how he conducted his review of our commitments and our forces and how he determined the validity of the requirements on which the weapons and other programs in the present bill are based. It was an important part of the Comptroller General's recommendation that the Congress make a better review of the basic operational needs on which our forces are based and make a more careful overall determination of the level of resources which can be allocated to defense needs. I am conscious that the committee does not have the capacity I would like it to have to make an independent judgment on the commitments against which our military posture is programed. I would hope that the Secretary will address himself to these commitments and that the committee members might give some thought to other ways that we could improve our competence in this area.

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I think we must all be aware, as responsible legislators, of the economic and political climate in which we will bring this bill to the floor of the House. The Defense budget is increased over last year by approximately \$4 billion. Most of us on the committee know that the major reason for the increase is the increased cost of personnel due to a combination of inflation and the high price tag of our national attempt to achieve an all-volunteer force.

Defense is our first priority, and we want to be prepared to provide the funds truly necessary for an invulnerable national defense. But the economic conditions of our country are such that we cannot approve funding that is not absolutely necessary. And the climate in the Congress is such that we must be prepared to fully justify to the House all of the programs included in the bill that we bring to the floor.

We are, therefore, going to scrutinize this bill carefully. We are going to make reductions whenever we find they can safely be made. We are not going to accept programs which are not fully and adequately justified. As examples, in the bill as submitted by the Department of Defense funds are requested for Southeast Asia aid; but the justification available to date is either nebulous or nonexistent. Funds are requested for the F-14 aircraft program although the Navy is not able to say at the present time how it intends to spend such funds.

Since I mentioned Southeast Asia, let me say to the members of the committee that at the appropriate time I intend to introduce an amendment to this bill which would provide that no funds provided by

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this act shall be used under any circumstances to provide any form of aid to North Vietnam.

Finally, I want to remind the Secretary that we will require the utmost cooperation from his Department in the expeditious handling of the transcripts of the committee hearings so that we can have the printed hearings available for the Members of the House in line with the present requirements of the Rules of the House of Representatives without causing any delay in bringing the bill to the House floor.

Before calling on the Secretary, I would like to call on Mr. Bray who has been elected by his party this year as ranking minority member of the committee.

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